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ABSTRACT

This manual is divided into three modules designed for use in a self-teaching situation. The first module presents a philosophical discussion of financing community education. The traditional model, requiring subordination of community education goals to the goals of the funding agency, is contrasted with an alternative model that establishes clear priority for answering community needs. The second module identifies and discusses six types of funding sources: business and industry, government (a listing of relevant federal programs is included), agencies, tuition and fees, philanthropies, and individual donations. The third module introduces the budgeting process for community education and discusses performance (or program) budgeting in particular. (Author/PGD)

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financing community education

By
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Financing Community Education

A Primer

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Preface

Community education financing has been called the "heart" of the community education process. It is becoming more and more imperative that a community educator be knowledgeable in this subject.

The purpose of this primer is to address the needs to develop materials

1. for the graduate student interested in the topic of financing community education; and
2. which address the questions raised by practitioners about sources of available funds and budgeting techniques.

~~practitioners about sources of available funds and budgeting techniques~~.

The format is a series of three modules. Module 1 presents a philosophical discussion of financing community education. Module 2 describes the various funding sources available to a community education program. Module 3 discusses the "how to" of budgeting. The module format was chosen because it is an excellent self-teaching approach and with limited staff this method is appropriate to address the above needs.

The author wishes to thank the Superintendent of Documents (U.S. Government Printing Office) and the Pendell Publishing Company for their permission to reproduce several important documents. Without their inclusion, this primer would not have been possible.

Lastly, the author wishes to thank Kathy Mallon and Maria Johnson-West for all their hours of typing and retyping of the manuscript. The final product is in large part a result of their efforts.

Module 1
An Overview

This module deals with a comparison of the traditional model and a proposed theoretical model for financing community education.

Objectives

The student will be able to:

1. Explain the Traditional Model of community education finance
2. Describe the major components of the presented Alternative Model
3. Compare and/or contrast the Traditional Model with the presented Alternative Model
4. Critique the Alternative Model
5. Develop a theoretical model for community education finance

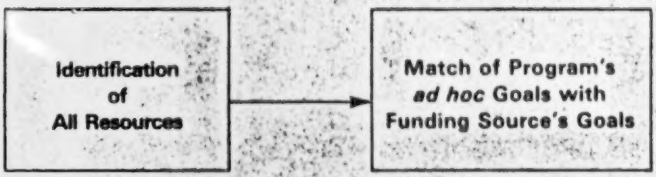
Additional Learning Materials

Community Education: A Developing Concept, M. Seay et al., Pendell Publishing Company, 1974, Chapters I, II, III, VIII, IX.

I Traditional Model

The process of financing community education is a two part activity involving (1) identifying all possible funding sources and (2) matching the goals in the guidelines of the funding source/s with your **ad hoc** program goals, i.e. those created expressly for or related to the guidelines' goals. Figure 1 is a depiction of this process.

Figure 1
Traditional Finance Model



The advantage of incorporating the approach presented in Figure 1 is that you have access to varied funding sources from federal programs, business and industry, governmental agencies and philanthropies. However, there is one inherent disadvantage you must accept if you decide to embrace this model. To better understand this "fly in the ointment" we need to look at the two fundamental values upon which the philosophy of community education is predicated.

II The Fundamental Values of Community Education

Community education is a philosophy with a system of beliefs and tenets. Community education is built upon a value system. What are these values?

Two major values are **participatory democracy** and **life-long learning**. These two permeate all models of community education from the early school-based to the more recent social action models. Participatory democracy and life-long learning give community education continuity as threads which unite its many parts.

To insure that we have a common understanding of the terms 'participatory democracy' and 'life-long learning', let's explore the meaning of each.

III Definitions

Participatory democracy means that every individual in a community is provided with two opportunities: (1) to develop requisite decision-making skills and (2) to become meaningfully involved in decision-making. The process of participatory democracy is predicated on the ideas that the individual can effectively influence policy making and accept responsibility for only those actions in which he or she has had input. Ergo, individuals collectively determine their own destinies.

Life-long learning is defined as those experiences acquired through the formal institutional setting and through the informal incidental setting. There is a time dimension to life-long learning. Education is not just a process which one undergoes between the ages of five and eighteen, but one which begins at birth and terminates upon death. Community educators recognize the impact of the environment on the individual throughout life and, conversely, the impact of the individual on the environment. Education then becomes the functional relationship between the individual and his/her environment.

Given these working definitions of the two fundamental values which underlie the philosophy of community education, we next need to address the inherent advantage and disadvantage of accepting the Traditional Model.

IV Advantage vs. Disadvantage of the Traditional Model

The Traditional Model for financing community education (see Figure 1) has the advantage of allowing community educators flexibility to accept financial resources from an array of funding sources. This flexibility translates into an elaborate system of programs. What better method is there to determine the success of community education than by counting the number of courses offered? To increase the number of programs all we need do is create goals to match the funding source's goals. Simple enough right?

The Traditional Model introduces the problem of allowing external sources, like a foundation, governmental agency, or industry, to identify a social malady and prescribe the "treatment". Unfortunately, most community education programs are inexorably locked into this model of funding. Community educators are evaluated on the numbers of new programs, diversity of programs, and numbers of people served. To maintain a "big business" one needs capital and what easier way to get capital than to create on paper a social malady? An unintended consequence is that community residents involved in the formulation of the community's goals defer to the goals of an external source and thereby relinquish local control.

We must now deal with the question of how a community can effectively finance a community education program, yet still maintain the goals of its community education philosophy.

To address this question requires that a proposed finance model: (1) permit tapping a variety of avenues of funding; and (2) assure that the goals of the community supersede the goals and establish the direction of funding.

V An Alternative Model for Community Education Finance

Articulate Community Education Philosophy

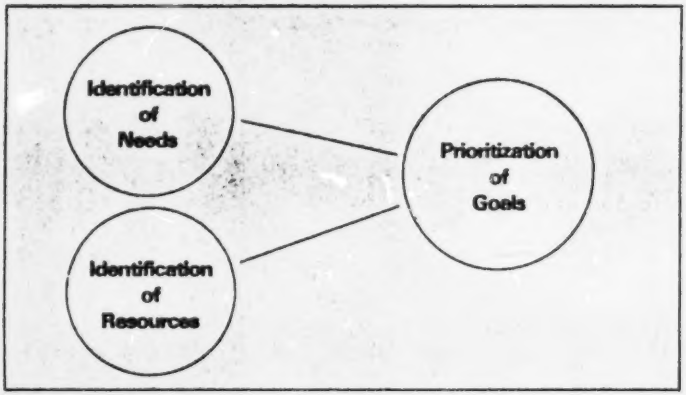
The first step in the development of an Alternative Model for financing community education is to articulate the philosophy upon which the model is premised. Since all communities view community education slightly differently, you must ascertain what will be the essential elements found in your community's philosophy. Where do you begin? From Section III you know, for example, that the fundamental values of participatory democracy and life-long learning must be included within your philosophical framework. Beyond this you must rely on what can be gleaned from the community education literature and visits with residents of communities which are known to have exemplary community education programs. Your last step is to identify your own community's collective view of life, including its norms. Then it becomes a matter of processing all of the available information and articulating a philosophy of community education.

Translate Philosophy into Goal Statements and Enabling Objectives

The second step in the development of an Alternative Model is to translate the philosophy arrived at in step one into preliminary goal statements and enabling objectives. Let's take an example. If a major tenet of your community education achieve the goal. If your goal statement is **to provide opportunities for citizen involvement in community affairs** two possible enabling objectives might be **to form community-wide councils** or **to provide for monthly community-wide open forums.** Remember, enabling objectives, like goals, are not immutable but will change as the needs of the community change.

Step two involves a change from the philosophical form to the preliminary goal statement form to the enabling objectives form. What is happening is a translation of a system of constructs into a system of observable and quantifiable behaviors.

The third step in establishing an Alternative Model takes the preliminary goal statements and their enabling objectives and reality tests and prioritizes them based upon the needs and resources as reported by surveyed community residents. If the surveys are carefully managed and a "true" representative group is surveyed, formal goal statements and enabling objectives will emerge. Formal goal statements differ from preliminary goal statements in that they are expressions of surveyed perceptions of the community.



Match Community Needs with Existing Community Resources

The fourth step is to match the community's needs and available community in kind resources (e.g., volunteers - see Section IV of Module 2), to determine what additional resources, if any, will be needed. You may find that no additional resources are needed. If additional resources are needed, then continue with the model.

Identify Additional Appropriate Resources

Step five is of major importance. You have now arrived at this point under the direction of goals and objectives which are outgrowths of your community's philosophy of education. Here lies the major difference between the Traditional Funding Model and the Alternative Funding Model. In the Traditional Model the goals of the community are placed secondary to the goals of the funding source, whereas in the Alternative Model it is the goals of the community which will dictate which funding source will be sought.

Step five is the process of identifying those funding sources which have goals parallel to those established by your community. Those goals which cannot be attained because of a lack of resources will remain unfulfilled. Remember, you have prioritized goals and objectives and are obligated to address the higher prioritized goals and objectives with available resources before you deal with the lower prioritized goals and objectives. (Fig. 2)

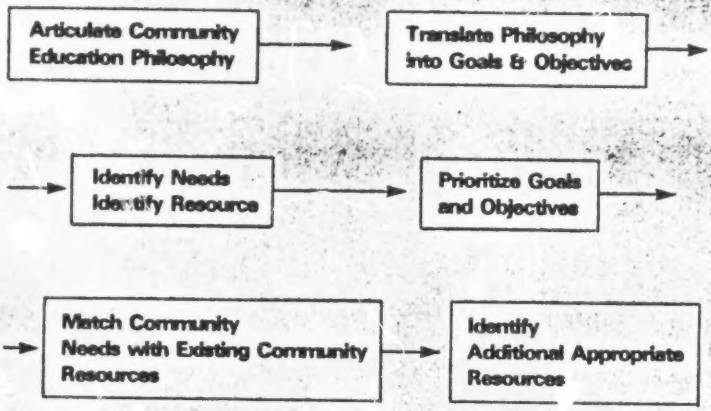

Articulate Community Education Philosophy
Translate Philosophy into Goals & Objectives
Identify Needs Identify Resource
Prioritize Goals and Objectives
Match Community Needs with Existing Community Resources
Identify Additional Appropriate Resources

Figure 2

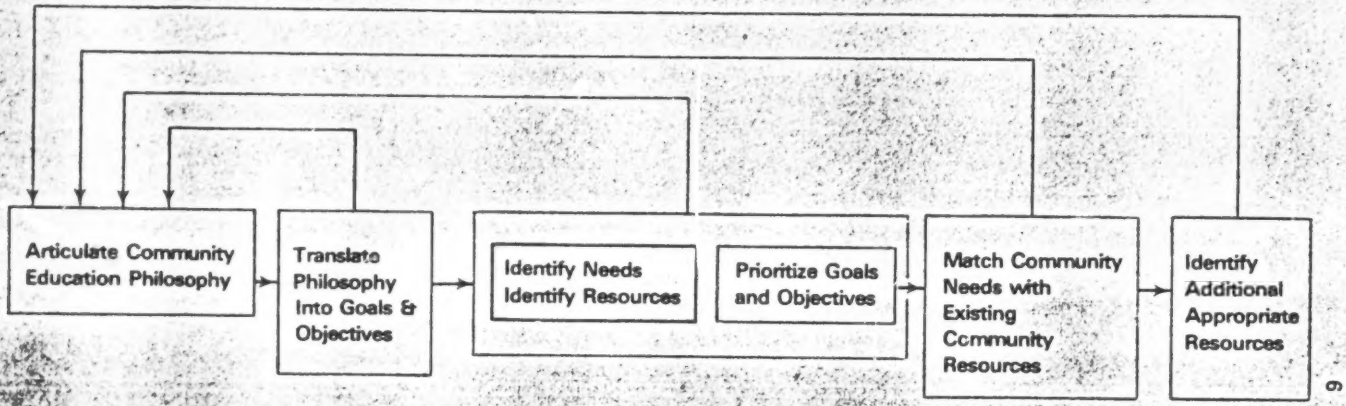

Articulate Community Education Philosophy
Translate Philosophy Into Goals & Objectives
Identify Needs
Identify Resources
Prioritize Goals and Objectives
Match Community Needs with Existing Community Resources
Identify Additional Appropriate Resources

Figure 3

We now have an Alternative Model which permits the tapping of new resources while assuring that the goals of the community supersede and establish the direction of funding. But we have not provided for the contingency of a community changing its goals. To do so requires that every community implementing this model must continually review steps two through five in light of a change in their philosophy of community education. Our model will be complete if we add such a feedback mechanism to depict this continual review. (Fig. 3)

VI. Summary

This Alternative Model is theoretical and not to the author's knowledge a working model. It is hoped that this model will stimulate you to think of other models for funding community education which preserve the community's goals and at the same time avoid the pitfalls of resource scrambling.

Module 2

Identification of Funding Sources

This module highlights the major funding sources available to community education programs and introduces a funding taxonomy based upon these sources.

Objectives

The student will be able to:

1. Define the six major headings of the funding taxonomy and briefly describe each.
2. Provide examples of direct and indirect support from each of the six headings.
3. Describe the services available through:
   a. E.F.R.C.
   b. Foundation Center
   c. N.I.E.

Additional Learning Materials

1. *Financing Community Education,* T. Fish and J. Klassen 1976.
2. *Developing Interagency Cooperation,* R. Shoop, 1976.
3. *Organizing a Volunteer Program,* L. Winecoff and C. Powell, 1976.
4. Access to a copy of the *Catalog of Federal Programs Related to Community Education* - Report #3.
5. *Community Education: From Program to Process,* C.E. LeTarte and J.D. Minzey, Pendell Publishing Company, 1972, Chapter XII, pp. 203-214.
6. *Community Education and Inter-Agency Cooperation,* P.J. Cwik, M.J. King, & C. Van Voorhees, Community Education Research Monograph, *2*(3), 1976.

I. Introduction

In Module 1 you were introduced to a five-step model for funding community education, based upon the two fundamental values of participatory democracy and life-long learning. To make full use of this model requires familiarity with the wide array of funding sources available to community education programs. The purpose of this module is to familiarize you with the major areas of community education funding.

II. Generic Areas of Funding

All of the funding sources can be categorized in a taxonomy with six general headings:

1. Business and Industry
2. Government
3. Agencies
4. Tuition and Fees
5. Philanthropies
6. Individual Donations

III. Taxonomy

The following is a presentation of the major sources of funding by heading.

Business and Industry

"Probably no groups in the local community have the potential for benefiting more from community education than do business and industry. There are many community education activities that directly or indirectly benefit the business and industrial community." (Fish and Klassen, 1976, p. 21.)

What are the funding resources with which Business and Industry can provide a community education program?

Direct Support (monetary):

1. Direct Grants
2. Tuition scholarships
3. Contracts for "in house" courses

Indirect Support:

1. Donation/use of materials and equipment
2. Use of staff and support personnel
3. Use of facilities
4. Assistance in advertising
5. Potential employer

Those interested in seeking assistance from business and industry may find the section dealing with this subject in the booklet, *Financing Community Education,* by Fish and Klassen, most helpful.

Government

Governmental funding is often the major support for funding community education. It remains a viable source as long as the community's goals are not subordinated to the goals of the funding institution. The trick becomes one of specifically seeking out funds which are in concert with the goals of the community. This can be accomplished by establishing the community's goals prior to the process of seeking funds.

Direct support (monetary):	**Federal Catalog #**
1. Various mill levies	
2. City and county government contributions	
3. State level community education legislation	
4. H.U.D. (Housing and Urban Development) funds	
5. C.E.T.A. (Comprehensive Employment and Training Act)	
6. Housing and Community Development Act of 1974 (PL93-383)	
7. Local and state discretionary funds	
8. Title IV-C	
9. Vocational Education-Work Study	13.501
10. Indian Education-Special Programs and Projects	13.535
11. Indian Education-Adults	15.100
12. Indian Employment Assistance Part II	15.108
13. Manpower Research-small grant research projects	17.221
14. Manpower Research-doctoral dissertation grants	17.218
15. Promotion of the Arts-Education	45.003
16. The Foster Grandparents Program	72.001
17. University Year for Action	72.004

Indirect Support:	Federal Catalog #
1. City, county, and state donation of materials and equipment	
2. Military donation of equipment	
3. Use of facilities	
4. Use of staff and support personnel	
5. School Breakfast Program	10.553
6. Non-Food Service Assistance for School Food Programs	10.554
7. National School Lunch Program	10.555
8. Special Milk Program for Children	10.556
9. Family Planning Projects	13.217
10. Community Health Centers	13.224
11. Maternal and Child Health Training	13.233
12. Drug Abuse Community Service Programs	13.235
13. Alcohol Demonstration Programs	13.252
14. Drug Abuse Demonstration Programs	13.254
15. Drug Abuse Education Programs	13.275
16. Adult Education-Grants to States	13.400
17. Adult Education-Teacher Education	13.402
18. Bilingual Education	13.403
19. Civil Rights Technical Assistance and Training	13.405
20. Dropout Prevention	13.410
21. Alcohol and Drug Abuse Prevention	13.420
22. Educationally Deprived Children-Local Educational Agencies	13.428
23. Educationally deprived children-migrants	13.429
24. Follow Through	13.433
25. Talent Search	13.488
26. Teacher Corps-Operations and Training	13.489
27. University Community Service-grants to states	13.491
28. Upward Bound	13.492
29. Vocational Education-Consumer and Homemaking	13.494
30. Vocational Education-Cooperative Education	13.495
31. Vocational Educational Curriculum	13.496
32. Vocational Education-Special Needs	13.499
33. Vocational Education-Work Study	13.501
34. Vocational Education Innovation	13.502
35. Environmental Education	13.522
36. School Health and Nutrition Services for Children from Low-Income Families	13.523
37. Emergency School Aid Act-basic grants to local educational agencies	13.525
38. Emergency School Aid Act-pilot programs (special programs and projects)	13.526
39. Emergency School Aid Act-metropolitan area projects	13.527
40. Emergency School Aid Act-bilingual education projects	13.528
41. Emergency School Aid Act-special programs and projects	13.529
42. Emergency School Aid Act-special programs	13.532
43. Right To Read--elimination of illiteracy	13.533

	Federal Catalog #
44. Indian Education-grants to local educational agencies	13.534
45. Indian Education-special programs and projects	13.535
46. Indian Education-adult Indian education	13.536
47. Educational Opportunity Centers	13.543
48. Ethnic Heritage Studies Program	13.549
49. Indian Education-grants to non-local educational agencies	13.551
50. Career Education	13.554
51. Education for the Use of the Metric System of Measurement	13.561
52. Education for Gifted and Talented Children and Youth	13.562
53. Community Education	13.563
54. Child Development-Head Start	13.600
55. Native American Programs	13.612
56. Runaway Youth	13.623
57. Child Development-child abuse and neglect prevention and treatment	13.628
58. Public Assistance-social services	13.754
59. Indian Education-contracts with Indian tribal organizations	15.105
60. Indian Action-team program	15.107
61. Indian Employment Assistance	15.108 Part
62. Indian Education-assistance to schools	15.130
63. Community Relations Service	16.200
64. Citizenship Education and Training	16.400
65. Law Enforcement Assistance-community anti-crime programs	16.501
66. Apprenticeship Outreach	17.200
67. Apprenticeship Training	17.201
68. Manpower Research-doctoral dissertation grants	17.218
69. Manpower Research-small grant research projects	17.221
70. Farm Workers	17.230
71. Senior Community Service Employment Program-Title IX	17.235
72. Appalachian 202 Health Demonstrations	23.004
73. Appalachian Local Development District Assistance	23.009
74. Appalachian Child Development	23.013
75. Appalachian Vocational and Technical Education Demonstration Grants	23.016
76. Disposal of Federal Surplus Real Property	39.002
77. Donation of Federal Surplus Personal Property	39.003
78. Promotion of the Arts-special projects	45.011
79. Community Action	49.002
80. Older Persons Opportunities and Services	49.010
81. The Foster Grandparents Program	72.001
82. Retired Senior Volunteer Program	72.002
83. Volunteers in Service to America	72.003
84. University Year for Action	72.004
85. National Student Volunteer Program	72.005
86. Action Cooperative Volunteer Program	72.007
87. Senior Companion Program	72.008
88. Youth Challenge Program	72.009

A document which you should become familiar with is the *Catalog of Federal Programs Related to Community Education - Report No. 3.* Within this document you will find a wealth of information on federal programs related to community education. The report contains four indices: (1) a **Subject Index** which provides key descriptors, (2) a **Federal Catalog Number and Title Index**, (3) **Categorical Index by Program Number** (reproduced in Figure 1), and (4) a **Program Number Index by Federal Agency** which provides agency contact information (Reproduced in Figure 2). To receive this document write the Superintendent of Documents, U.S. Government Printing Office, or contact the Federal Community Education Clearinghouse at 1-800-638-6698.

CATEGORICAL INDEX BY PROGRAM NUMBER

Figure 1
Categorical Index by Program Number

PROGRAM NUMBER	GENERAL CATEGORIES																	TYPES OF ASSISTANCE													TARGET POPULATION															
																															BENEFICIARY												APPLICANT	
																															AGE				INCOME			MINORITY						
	ARTS	BI-LINGUAL	COMMUNITY DEVEL	CULTURAL	DISSEG./RACIAL	DRUGS/ALCOHOL	EDUCATION	EMPLOYMENT/VOC.	ENVIRONMENTAL	FAMILY	FOOD	HEALTH/MEDICAL	RECREATION	SOCIAL	SOCIAL SERVICE	ADMINISTRATION	COUNSELLING/ADVISING	DISSEMINATION	EQUIPMENT	MONETARY	PLANNING/CURR. DEV.	RESEARCH/EVAL.	SERVICES	STAFF	SUPPLIES	SURVEY	TECHNICAL	TRAINING/INSERVICE	PRE-SCHOOL	K-12	ADULT	SENIOR CITIZEN	GENERAL	LOW	APPALACHIAN	INDIAN	MIGRANT	OTHER MINORITIES	LEA	OTHER
10.553											X														X				X	X			X	X					X	
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13.488							X										X						X								X			X						X	X

CATEGORICAL INDEX BY PROGRAM NUMBER

PROGRAM NUMBER	GENERAL CATEGORIES																TYPES OF ASSISTANCE												TARGET POPULATION											
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	ARTS	BI-LINGUAL	COMMUNITY DEVEL.	CULTURAL	DESEG./RACIAL	DRUGS/ALCOHOL	EDUCATION	EMPLOYMENT/VOC.	ENVIRONMENTAL	FAMILY	FOOD	HEALTH/MEDICAL	RECREATION	SOCIAL	SOCIAL SERVICE	ADMINISTRATION	COUNSELLING/ADVISING	DISSEMINATION	EQUIPMENT	MONETARY	PLANNING/CURR. DEV.	RESEARCH/EVAL.	SERVICES	STAFF	SUPPLIES	SURVEY	TECHNICAL	TRAINING/INSERVICE	PRE-SCHOOL	K-12	ADULT	SENIOR CITIZEN	GENERAL	LOW	APPALACHIAN	INDIAN	MIGRANT	OTHER MINORITIES	LEA	OTHER
13.489							X										X						X	X			X	X	X	X		X	X					X	X
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13.543							X									X	X	X	X				X	X	X					X	X		X	X						X

CATEGORICAL INDEX BY PROGRAM NUMBER

PROGRAM NUMBER	GENERAL CATEGORIES																TYPES OF ASSISTANCE													TARGET POPULATION														
																														BENEFICIARY											APPLI-CANT	
																														AGE				INCOME		MINORITY						
	APTS	BI-LINGUAL	COMMUNITY DEVEL.	CULTURAL	DESEG./RACIAL	DRUGS/ALCOHOL	EDUCATION	EMPLOYMENT/VOC.	ENVIRONMENTAL	FAMILY	FOOD	HEALTH/MEDICAL	RECREATION	SOCIAL	SOCIAL SERVICE	ADMINISTRATION	COUNSELLING/ADVISING	DISSEMINATION	EQUIPMENT	MONETARY	PLANNING/C.AR. DEV.	RESEARCH/EVAL.	SERVICES	STAFF	SUPPLIES	SURVEY	TECHNICAL	TRAINING/INSERVICE	PRE-SCHOOL	K-12	ADULT	SENIOR CITIZEN	GENERAL	LOW	APPALACHIAN	INDIAN	MIGRANT	OTHER MINORITIES	LEA	OTHER
13.549				X			X											X			X							X	X	X	X	X		X	X		X	X	X
13.551							X															X	X	X						X		X			X				X
13.554							X	X									X		X		X			X	X		X			X	X						X	X
13.561							X													X		X					X	X	X	X	X	X						X	X
13.562							X										X	X				X			X		X	X	X	X		X						X	X
13.563			X				X									X		X	X		X	X	X	X	X	X	X	X	X	X	X	X						X	X
13.600							X			X		X		X		X	X	X			X	X	X	X	X	X	X	X	X				X						X	X
13.612	X	X	X	X		X	X	X	X	X	X	X	X	X		X	X	X	X		X		X	X	X	X	X	X	X	X	X	X			X		X	X	X	X
13.623										X	X	X					X						X	X					X			X						X	X
13.628										X		X					X	X				X	X	X		X	X		X	X	X		X						X	X
13.754			X	X		X	X	X		X		X	X		X	X	X	X	X		X	X	X	X	X	X	X	X	X	X	X	X	X	X						X
15.100							X	X												X											X	X			X					X
15.105							X										X	X					X						X	X	X	X			X					X
15.107			X					X																			X	X			X	X	X			X		X			X
15.108 I								X																				X			X		X			X					X
15.108 II								X				X								X								X			X		X			X					X
15.130				X			X										X						X						X	X			X			X			X	
16.200					X										X		X										X		X	X	X	X	X						X	X
16.400							X																		X				X	X	X	X	X					X	X	X	X
16.501			X				X						X				X					X				X	X	X	X	X	X	X	X						X	X
17.200							X	X									X				X	X					X		X	X		X					X	X	X	X
17.201								X										X					X	X		X		X		X	X		X								X

CATEGORICAL INDEX BY PROGRAM NUMBER

PROGRAM NUMBER	GENERAL CATEGORIES																TYPES OF ASSISTANCE												TARGET POPULATION											
																													BENEFICIARY										APPLI-CANT	
																													AGE				INCOME		MINORITY					
	ARTS	BI-LINGUAL	COMMUNITY DEVEL.	CULTURAL	DESEG./RACIAL	DRUGS/ALCOHOL	EDUCATION	EMPLOYMENT/VOC.	ENVIRONMENTAL	FAMILY	FOOD	HEALTH/MEDICAL	RECREATION	SOCIAL	SOCIAL SERVICE	ADMINISTRATION	COUNSLL-NG/ADVISING	DISSEMINATION	EQUIPMENT	MONETARY	PLANNING/CURR. DEV.	RESEARCH/EVAL.	SERVICES	STAFF	SUPPLIES	SURVEY	TECHNICAL	TRAINING/INSERVICE	PRE-SCHOOL	K-12	ADULT	SENIOR CITIZEN	GENERAL	LOW	APPALACHIAN	INDIAN	MIGRANT	OTHER MINORITIES	LEA	OTHER
17.218							X	X												X		X								X			X						X
17.221								X												X		X								X			X						X
17.230							X	X			X	X					X						X	X	X	X					X			X	X		X		X	X
17.235								X															X	X		X					X			X					X	X
23.004												X											X						X	X	X	X	X	X	X					X
23.009			X																							X	X	X	X	X	X			X					X
23.013							X			X		X			X						X		X						X	X	X		X		X					X
23.016							X	X									X										X	X	X			X	X		X			X	X	X
39.002			X				X		X			X	X						X										X	X	X	X	X						X	X
39.003			X				X					X	X						X										X	X	X	X	X						X	X
45.003	X						X													X							X		X	X	X	X	X						X	X
45.011	X			X										X							X							X		X	X	X	X	X						X	X
49.002			X	X			X	X		X	X	X	X		X	X	X		X		X	X	X	X	X	X	X	X	X	X	X	X		X						X
49.010			X			X	X	X		X		X	X		X	X	X	X			X		X									X		X					X	X
72.001							X	X				X			X					X			X					X				X		X					X	X
72.002	X		X	X		X	X		X	X		X	X	X	X								X									X	X						X	X
72.003			X			X				X		X			X		X						X						X	X	X	X	X	X			X	X	X	X
72.004			X												X		X			X			X	X		X	X	X	X	X	X	X		X					X	X
72.005			X			X						X			X								X	X			X	X	X	X	X	X		X			X	X	X	X
72.007			X												X		X				X							X	X	X	X	X	X	X					X	X
72.008												X			X		X													X	X	X	X				X	X	X	X
72.009							X								X			X				X		X						X			X	X					X	X

Figure 2
Program Number Index by Federal Agency, Address and Phone

Federal Agency	Phone Number	Program Number
Department of Agriculture Food and Nutrition Services S. Agriculture Building 14th & Independence Avenue, S. W. Washington, D. C. 20250	(202) 447-8061	10.550 - 10.559
Department of Health, Education and Welfare Public Health Service I 5600 Fisher's Lane Rockville, Maryland 20852	(301) 443-4795	13.103 - 13.399
Office of Education 400 Maryland Avenue, S. W. Washington, D. C. 20201	(202) 245-8430	13.400 - 13.571
Office of Human Development 330 Independence Avenue Washington, D. C. 20201	(202) 245-2890	13.600 - 13.637
Social and Rehabilitation Service 330 C Street, S. W. Washington, D. C. 20201	(202) 245-6726	13.707 - 13.772
Department of Interior Bureau of Indian Affairs 1951 Constitution Avenue, N. W. Washington, D. C. 20245	(202) 343-5116	15.100 - 15.138
Department of Justice Community Relations Service 550 11th Street Washington, D. C. 20530	(202) 739-4011	16.200
Immigration and Naturalization Service 425 I Street Washington, D. C. 20536	(202) 382-2826	16.400
Law Enforcement Assistance Administration 633 Indiana Avenue, N. W. Washington, D. C. 20531	(202) 376-3985	16.500 - 16.518
Department of Labor Employment and Training Administration 200 Constitution Avenue, N. W. Washington, D. C. 20210	(202) 376-6905	17.200 - 17.235

Appalachian Regional Commission 1666 Connecticut Avenue, N. W. Washington, D. C. 20235	(202) 673-7893	23.001 - 23.017
General Services Administration 18th & F Streets, N. W. Washington, D. C. 20405	(202) 472-1082	39.001 - 39.009
National Foundation for the Arts and the Humanities National Endowment for the Arts 806 15th Street, N. W. Washington, D. C. 20506	(202) 634-6369	45.001 - 45.012
Community Services Administration 1200 19th Street, N. W. Washington, D. C. 20506	(202) 254-5000	49.002 - 49.014
Action 806 Connecticut Avenue, N. W. Washington, D. C. 20506	(202) 254-6686	72.001 - 72.010

Another worthwhile source of information on federal programs providing funding for secondary and elementary education is the non-profit Education Funding Research Council (E.F.R.C.). The E.F.R.C. provides its associate subscribers with the weekly newsletters, the *Educational Funding News* and the *Congressional Boxscore.* Additionally, a hotline is provided to give subscribers quick and accurate up-to-date information on recent legislation. Full service subscriptions are also available.

In addition to the above services, several excellent publications including the annual *Federal Funding Guide* and the *E.F.R.C. Guide to Congressional Committees and Subcommittees* are also available from E.F.R.C. For further information on E.F.R.C. contact:

Education Funding Research Council
725 National Press Building, N.W.
Washington, D.C. 20045

One final organization is the National Institution of Education (NIE), whose purpose is to serve American education through:

1. helping to solve or alleviate the problems and achieve the objectives of American education;
2. advancing the practice of education as an art, science, and profession;
3. strengthening the scientific and technological foundations of education; and
4. building an effective educational research and development system.

Research grants are available annually on a competitive basis. For further information about NIE's Educational Equity Grants Program contact:

National Institution of Education
1200 19th Street, N.W.
Washington, D.C. 20208
(202) 254-5170

Agencies

For an agency to maximize its usefulness, it must abandon the notion of "territoriality" and enter into a symbiotic relationship with the other agencies serving its constituency. Only through such a process can community residents be assured of receiving the full complement of resources and services due them. For an indepth look at interagency cooperation see *Developing Interagency Cooperation* (Shoop, 1976) and *Community Education Research Monograph,* Vol. 2, No. 3 (Cwik et al., 1976).

Many resources of other agencies are not tapped by community educators because they remain jealously guarded from sight. There is a direct relationship between interagency cooperation and resource availability to community education, i.e., as interagency cooperation increases, resources to community education concomitantly increase. The task for the community educator is then to facilitate interagency cooperation.

Direct Support (monetary):

1. Grants and loans from Community Chest and United Way
2. Donations and scholarships from Service Clubs, e.g., Jaycees, Rotary, Kiwanis
3. Scholarships from fraternal organizations, including Masons, Knights of Columbus, and local fraternity and sorority chapters.
4. Professional organizations
5. P.T.A.
6. Program cost sharing
7. Combined proposal writing
8. School and community college cooperative funding

Indirect Support:

1. Use of agencies' facilities and equipment
2. Use of agencies' personnel and technical assistance
3. Donation of materials by agencies
4. Donation of support services by agencies
5. Assistance in fund-raising and publicity

Tuition and Fees

Tuition and fees for courses and programs act as "hard money" sources. Many new programs begin on this basis.

Direct Support (monetary):

1. Tuition and fees, usually charged at a rate per contact hour

Indirect Support:

1. Free admission to courses and programs for select individuals or groups

Philanthropies

The corporate and private foundations have been a windfall to community education. Many innovative ideas, including community education itself, may never have come to fruition except for the Charles Stewart Mott Foundation, the Danforth Foundation, and the Kellogg Foundation.

There are thousands of foundations in the United States alone and most fund only (1) **specific types of projects and activities** (2) **at specific levels of funding** (3) **for limited periods of time.** Therefore, it is important that the individual or community interested in this type of funding become acquainted with their purposes and their histories of funding.

The best single place to get information about foundtions is **The Foundation Center,** a non-profit organization that disseminates information on philanthropies. The Center offers a program which includes a detailed description of 26,000 foundations, a computer search service, taped bulletins available via WATS line, and a toll-free telephone number for immediate answers about foundations. **The Foundation Center** also maintains a system of fifty-one libraries located in forty-one states. All of above services are on a fee-for-service basis.

Listed below are several publications well worth perusing. They include:

1. *The Foundation Directory*, Edition 6, Marianne O. Lewis, Editor
2. *The Foundation Center National Data Book*
3. *Foundation Grants to Individuals*
4. *The Foundation Grants Index* (bimonthly)
5. *The Foundation Grants Index* (annual volume)
6. *Comsearch Printouts* (annual)
7. *International Philanthropy: A Compilation of Grants by United States Foundations*, Jean Ann Martinson, Compiler.
8. *About Foundations: How to Find the Facts You Need to Get a Grant*, Judith B. Margolin
9. *What Makes a Good Proposal?*, F. Lee Jacquette and Barbara L. Jacquette
10. *What Will a Foundation Look for When You Submit a Grant Proposal?* Robert A. Mayer
11. *Philanthropy in the United States: History and Structure*, F. Emerson Andrews

For more information about The Foundation Center, write:
The Foundation Center
888 Seventh Avenue
New York, New York 10019

Direct Support (monetary):

1. Direct grants - total and partial - seed and continuous

Indirect Support:

1. Technical assistance in proposal writing
2. Donation of materials
3. Donation of equipment
4. Donation of personnel
5. Advertising assistance
6. Donation of properties
7. Support services, e.g., the Community Education Center network

Individual Donations

This heading relates to those individual citizens who support community education through their direct contributions.

Direct Support (monetary):

1. Financial donations
2. Donations as a consequence of fund-raising activities

Indirect Support:

1. Gift-giving, including giving of property, materials and equipment

IV. Volunteerism

Volunteerism is another area of indirect community support. Volunteerism is a potential resource often overlooked by communities because of the perception of the volunteer as inept and unreliable.

Unfortunately, this perception is often in accord with reality. Mismanaged volunteer programs involving untrained volunteers can lead one to believe that all volunteers are inept and unreliable. If volunteers are properly trained and managed correctly they can be an extremely valuable resource to any program.

To assist the reader in finding out more about volunteerism, the following materials and addresses have been identified:

Organizing a Volunteer Program, Larry Winecoff and Conrad Powell (How To Series)

Training Volunteer Leaders: A Handbook to Train Volunteers and Other Leaders of Program Groups, F. W. Hanna, et. al., Research and Development Division, National Council of Young Men's Christian Association, 291 Broadway, New York, N. Y., 10007

National Information Center on Volunteerism (N.I.C.O.V.), P.O. Box 4179 Boulder, Colorado 80306 (303-447-0492)

Summary

The intent of this module is to identify the major funding sources available to community education. Unfortunately, by the time this material is in print it will be dated and incomplete. To assist you in updating your funding information, a funding taxonomy work sheet has been provided below.

Work Sheet for Funding Resources

I. Business and Industry

1.
2.
3.
4.
5.

II. Government

1.
2.
3.
4.
5.

III. Agencies

1.
2.
3.
4.
5.

IV. Tuition and Fees

1.
2.
3.
4.
5.

V. Philanthropies

1.
2.
3.
4.
5.

VI. Individual Donations

1.
2.
3.
4.
5.

Module 3
Budgeting

This module presents an introduction to the budgeting process. Several budget structures are discussed and a comprehensive look at performance budgeting is provided.

Objectives

The student will be able to:

1. **Describe the Community Education Funding Process Model**
2. **Define the term "budget"**
3. **Describe the five phases of budgeting**
4. **Describe and discuss the five elements which are essential to a good budget structure**
5. **Explain the fixed fee/variable salary and variable fee/fixed salary formulas**
6. **Discuss the steps involved in establishing a performance budget**
7. **Relate the performance budget to the Alternative Funding Model presented in Module 1**

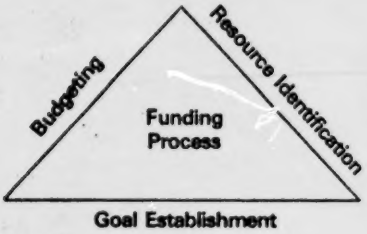
Additional Learning Materials

1. *Community Education: A Developing Concept,* M. Seay et al., Chapters VI, 1974.
2. *The Community Education Handbook,* R. I. Berridge, Chapter IV, 1973.
3. *Community Education: From Program to Process,* J. D. Minzey and C. E. LeTarte, Chapters XII and XIII, 1972.
4. *Accounting for Management,* R. M. Lynch and R. W. Williamson, 1967.

I. Introduction

The community education funding process includes three major activities: the establishment of goals, resource identification, and budgeting.

Community Education Funding Process: A Model



The model tells us two things:

1. All three activities must be present in order to achieve the process.
2. Goal establishment acts as the focal activity upon which resource identification and budgeting are based.

We have already investigated two of these activities and now turn our attention to budgeting.

II. Budget Defined

A budget is a balanced listing of concise anticipated expenditures and revenues which is based upon some defined period of time and is used as a plan to meet costs.

From this definition we can extrapolate the equation:

Revenues = Expenditures + Community Education Equity

where revenues are solvent resources, expenditures are liabilities, and community education equity is the net worth (revenues minus expenditures) of the program. It is important to study this equation carefully to learn its nuances.

Exercise

Based upon the above equation, answer the following questions.

1. **Explain what the outcome will be when Expenditures are greater than Revenues.**
2. **Explain what the outcome will be when Revenues are greater than Expenditures.**
3. **Based upon the definition of budget, how would you achieve a balance in situation #1? In situation #2?**

III. Steps Involved in Budgeting

Fish and Klassen (1976) present an excellent outline of the various phases of budgeting for community education. Though the individual steps under each phase may vary depending upon the type of budgeting model one adapts, their five phases are universal to budgeting strategies. For this reason, their outline in its entirety is presented here. (Thomas L. Fish and James A. Klassen, from "Financing Community Education", copyright ©1976 by Pendell Publishing Company, Midland, Michigan. Reprinted by permission.)

Steps in Budgeting

In order to determine what the actual costs of the proposal(s) will be, a director will have to prepare and administer a detailed budget. The various phases of budgeting, outlined below, are preparation, presentation, administration, accounting, and evaluation.

Preparation:

Carefully review the previous budget (If first year, examine school/municipal budget and budgets from other community education programs.);

Consult staff and advisory council as to needs;

Estimate anticipated administrative and program expenses;

Submit a justification statement for all large and unusual requests;

Prepare the preliminary budget.

Presentation:

Present the detailed budget to the advisory council, superintendent and/or person to whom the director reports;

Be prepared to defend all items requested in the budget.

Discuss the budget with staff, making available a master copy for any who wish to review the budget carefully;

Request staff to attend the budget meeting with the superintendent and school board or governing agency to answer any specific questions raised.

Administration:

Prepare a budget calendar that indicates when various funds will be available;

Adjust the budget for deletions, additions, and reallocations;

Notify staff as to the funds they will receive;

Specify responsibility and procedure in the expenditure and control of funds.

Accounting:

Properly categorize all expenditures and receipts in accord with established policies;

Require receipts for all expenditures and revenues;

Make an inventory of all equipment and supplies;

Have all accounts audited annually.

Evaluation:

Carefully analyze the past year's revenues and expenditures in relation to their effectiveness in promoting a good community education program;

Determine if amount of money allocated coincided with needs;

Review budget policy for revision;

Request evaluations from staff and advisory council as to the degree of satisfaction with the previous budget;

Forward an appraisal statement to supervisor regarding recommendations for future budgets.

IV. Budget Structures

A community education budget usually consists of five elements:

1. a list of anticipated expenditures
2. a list of anticipated revenues
3. a budget narrative
4. a summary of the total expenditures and revenues plus information on the number of individuals to be served
5. a budget schedule

1. Anticipated Expenditures

Anticipated expenditures are divided into three categories: (1) Personnel, (2) Space and Utilities, and (3) Programming, which includes supplies, teachers' salaries, equipment, and advertising.

The following is a sample of the Anticipated Expenditures portion of a hypothetical community education budget.

Proposed Budget for Anytown Community Education Program for the Period Beginning January 1 and Ending December 31.

	Expenditures
I. Personnel	
Coordinator	$12,000
Custodian	8,000
Clerk-typist	6,000
Community liason	4,000
Sub-total	30,000

Fringe Benefits (17%)		5,100
	Total	$35,100
II Space and Utilities		
Rent		$2,000
Telephone		1,000
Utility costs		2,000
	Total	$5,000
III Programming		
Administrative supplies		$6,000
Program supplies & equipment (three trimesters)		4,000
Summer supplies & equipment		2,000
Instructional salaries (3000 hrs. x 6/hr.)		18,000
	Total	$30,000

2. Anticipated Revenues

The Anticipated Revenues portion of a budget is divided into the three areas of (1) Governmental monies (2) Tuition and Fees, and (3) Other (donations, fund-raising, etc.)

The following is a sample of the Anticipated Revenues portion of our proposed hypothetical budget.

Proposed Budget for Anytown Community Education Program for the Period Beginning January 1 and Ending December 31.

Revenues

I. Governmental monies		
C.E.T.A.		$10,000
Community Education (Title IV E.S.E.A.)		15,000
CDA (PL93-383)		5,000
	Total	$30,000
II. Tuition and Fees		
Tuition (100 classes x 20 people/class x $11.00/person)		$22,000
Fees (10 workshops, 30 seminars)		10,000
	Total	$32,000
III. Other		
School Board		$2,000
Donations		3,000
Fund-raising		3,100
	Total	$8,100

3. Budget Narrative

The lists of Anticipated Expenditures and Revenues provide the reader with a general knowledge of the budget. Specific knowledge of the budget requires that a Budget Narrative be included with Anticipated Expenditures.

Let's take a simple example from our hypothetical budget. Under the line item **Space and Utilities** what specifically are the utility costs to be included? Heat? Water? For clarification you might write the following narrative.

II. Space and Utilities	
Rent	Provide narrative for rent.
Telephone	Provide narrative for telephone
Utility costs	Electricity for lighting and air conditioned building at $100/month x 12 months plus gas for heating at $66.67/month x 12 months; $1,200(E) +$800(G) = $2,000.

Avoid confusion when writing a budget. Submit a budget narrative!

4. Summary

The Summary provides an overall view of the budget and indicates the number of individuals to be served by the program.

The following is a sample of what the Summary would look like for our hypothetical budget.

Proposed Budget for Anytown Community Education Program for the Period Beginning January 1 and Ending December 31.

Summary

I. Estimated Expenditures		
Personnel		$35,100
Space and Utilities		5,000
Programming		30,000
	Total	$70,100
II. Estimated Revenues		
Governmental monies		$30,000
Tuition and Fees		32,000
Other		8,100
	Total	$70,100
III. Individuals to be served		
January 1 - March 31		900
April 1 - June 30		600
July 1 - September 30		300
October 1 - December 31		800
	Total	2,600

In addition to giving the reader a quick estimation of the proposed budget, the summary provides a crude measure of proposed cost per individual:

$$\frac{\text{Estimated Expenditures}}{\text{Total Number of Individuals}}$$

or

$$\frac{\$70,100}{2600} = \$26.97/\text{individual}$$

5. Budget Schedule

The following is a sample of the Budget Schedule. It provides the reader with a strategy for allocating funds over a one year period. Financial needs will vary throughout the year and a Budget Schedule should reflect these periodic variations.

Exercise:
Fill in the remaining three quarterly periods and balance the budget.

BUDGET SCHEDULE

CATEGORY	BUDGET ALLOCATION	JAN	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUG.	SEPT.	OCT.	NOV.	DEC.
I. Personnel	$35,100	$2,925	$2,925	$2,925	$2,925	$2,925	$2,925	$2,925	$2,925	$2,925	$2,925	$2,925	$2,925
1. Coordinator	12,000	1,000	1,000	1,000									
2. Custodian	8,000	666	666	666									
3. Clerk-typist	6,000	500	500	500									
4. Community Liason	4,000	334	334	334									
5. Fringe Benefits	5,100	425	425	425									
II. Space and Utilities	5,000	415	415	415									
1. Rent	2,000	166	166	166									
2. Telephone	1,000	83	83	83									
3. Utility Costs	2,000	166	166	166									
III. Programming	30,000	4,000	4,000	4,000									
1. Admin. Supplies	6,000	1,500	800	800									
2. Pgm. Supplies & Equip.	4,000	700	400	400									
3. Summer Supplies & Equip.	2,000	--	--	--									
4. Instructional Salaries	18,000	1,800	1,800	1,800									
Cumulative Quarterly Totals				20,120									

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We have dissected a hypothetical budget into five elements. However, because community education programs vary, budgets tend to differ in the structure of Anticipated Expenditures and Anticipated Revenues. A basic understanding of budget structure necessitates the presentation of other partial samples of expenditures and revenues.

Sample #1 Partial budget structure used by a large comprehensive urban community education program.

Anticipated Expenditures

I. **Administrative Personnel**
- a1 Community Education Director _____
- a2 Fringe Benefits _____
- a3 Total _____
- b1 Community Education Asst. Dir. _____
- b2 Fringe Benefits _____
- b3 Total _____
- c1 Community Liason _____
- c2 Fringe Benefits _____
- c3 Total _____
- d1 Travel Expenses/ Conferences _____
- d2 Travel Expenses/Local _____
- e1 Newsletter Supplies _____
- e2 Newsletter Postage _____
- f1 Postage _____
- g1 Supplies/Office _____
- h1 Telephone _____
- i1 Insurance _____
- j1 Membership & Subscriptions _____

II. **Support Personnel**
- a1 Secretary _____
- a2 Fringe Benefits _____
- a3 Total _____
- b1 Part-time Typist _____
- b2 Fringe Benefits _____
- b3 Total _____
- c1 Custodian _____
- c2 Fringe Benefits _____
- c3 Total _____
- Total _____

III. **Instruction (over-all)**
- a1 Teachers' Salaries _____
- a2 Fringe Benefits _____
- a3 Total _____
- b1 Textbooks _____
- c1 Instructional Supplies _____
- d1 Instructional Materials _____
- Total _____

Anticipated Revenues

I. **Business & Industry**
- a1 In-House Classes _____
- b1 _____
- c1 _____
- d1 _____
- e1 _____
- Total _____

II. **Government**
- a1 School Levy _____
- b1 _____
- c1 _____
- d1 _____
- Total _____

III **Tuition & Fees**
- a1 Leisure Time Classes _____
- b1 _____
- Total _____

IV. Operations

a1	Utilities	_____
b1	Rent	_____
c1	Supplies for Cleaning	_____
d1	Contracted Services	_____
	Total	_____

V. Publicity

a1	Advertising	_____
b1	Postage	_____
c1	Printing	
	Total	_____

VI. Capital Outlay

a1	Repair and Replacement	_____
b1	Equipment Purchases	_____
	Total	_____

VII. Community Service

a1	Transportation	_____
b1	Supplies	_____
c1	Workshops and Training	_____
d1	Contingency	_____
	Total	_____

VIII. Evaluation

a1	Consulting fees	_____
b1	Printing	_____
c1	Postage	_____
	Total	_____

Sample #2 Partial budget from a suburban program entirely funded by city and school district grants.

Expenditures

Personnel

		Total
Director		
Salary - 48 weeks	$15,000	
Fringe - 48 weeks	1,500	
		$16,500
Secretary		
Salary - 48 weeks	$ 7,000	
Fringe - 48 weeks	700	$ 7,700
Building Coordinators (3)		
Salary - 15 hrs/week	$ 3,000	
Fringe	300	$ 3,300
Activity Directors (3)		
Salary	$ 5,000	
Fringe	500	$ 5,500
Non-Personnel		
Office Supplies	$ 1,000	$ 1,000
Program Supplies	1,000	$ 1,000
Repairs and Service	200	$ 200
Maintenance	100	100
New Equipment	0	0
Travel	500	$ 500
	Budget Total	$35,800
Personnel Budget	$33,000	$33,000
Non-Personnel Budget	2,800	2,800
	Total	$35,800

Revenues

City Contribution	$17,000	$17,000
School District Contribution	$18,800	$18,800
	Total	$35,800

Sample #3 Partial budget from a large rural community education program. Presented here is only one element, Expenditures. Notice how this structure differs markedly from the previous ones.

Administration

Salary - Director	$20,000
Fringe Benefits	5,000
Salary - Clerical	8,000
Fringe Benefits	2,000
Travel Expenses/ Conferences	1,000
Travel Expenses/Local	500
Newsletter Supplies	100
Postage	200
Office Supplies	1,000
Miscellaneous Expense	100
Telephone	500
Capital Outlay	500
Recreation	
Salary - Supervisor	6,000
Salary - Instructor	2,000
Advertising	100
Supplies	500
Miscellaneous Expenses	50
Equipment	200
Transportation	500
Leisure Time	
Supplies	500
Miscellaneous	100
Advertising	300
Salaries - Instructional	
Astrology	300
Beginning Guitar	300
Bridge	300
Cake Decorating	300
Ceramics and Pottery	300
Conversational German	300
Country Painting	300
First Aid	300
Gymnastics	1,000
Intermediate Guitar	300
Karate	300
Knitting and Crocheting	300
Leathercrafts	300
Metrics	300
Quiltmaking	300
Thanatology	300

Adult Education

Adult Basic Education (ABE)
General Educational Development (GED)
High School Completion

Supplies	1,000
Advertising	200
Miscellaneous	100
Salaries - Instructional	4,000

Community Services

Advertising	100
Transportation	300
Total	$60,350

Sample #4 Partial budget from a small rural leisure-time program entirely supported by tuition and donations and using a volunteer coordinator.

Anticipated Expenditures		Anticipated Revenues	
1. Instructional Salaries	_____	3. Tuition	_____
2. Supplies	_____	4. Other	_____
Total	_____	Total	_____

Expenditures

1. **Instructional Salaries** are usually based on one of two formulas (see Tuition Formulas).
2. **Supplies** normally consist of items for specific classes (thread and material for a sewing class; paints and paper for a country painting class; cake decorating materials for a cake decorating class).

Revenues

3. **Tuition** is based on formulas described below.
4. **Other** is a category which might include money donated or raised during a fund-raising activity like a fair or bazaar.

Tuition Formulas

There appear to be two standard methods for establishing class tuition: (1) **Fixed fee/variable salary** and (2) **variable fee/fixed salary.**

1. **Fixed fee/variable salary:**
   a. Each student is charged $ .50/contact hour.
   b. A class is normally set at 10 contact hours.
   c. There is a minimum of 10 students in the class. However, this often varies.
   d. Instructional salary is set at $5.00/contact hour or $50.00 for the 10 contact hour course. This latter figure is arrived at by the formula:

   $ .50/student x 10 contact hours/student x 10 students = $50.00

   If fewer than 10 students enroll, the instructor will be asked if he/she will work for $ .50/student x 7 students x 10 contact hours/student.

Example: Eight students enroll in class. According to the fixed fee/variable salary formula:

$ .50/student x 10 contact hours/student x 8 students = $40.00 for the course, or $4.00/hour

If more than ten enroll the additional money will be either added to the instructor's salary or diverted as a form of revenue to cover supplies and the purchase of new equipment.

2. **Variable fee/fixed salary:**
   a. Identify maximum number of potential students who can be enrolled in a class.
   b. Identify the number of classroom hours.
   c. Multiply the number of classroom hours by some established hourly rate to arrive at a teacher's base pay.
   d. Add fringe benefits, if any.
   e. Divide the total figure by the number of students to arrive at the tuition cost per student.

Example: 20 students
10 classroom hours
10 classroom hours x $6.00 = $60.00
$60.00 $0 (fringe benefits) = $60.00
$60.00 + 20 students = $3.00 tuition charge/student

If the maximum number of students is not reached, the tuition charge per student increases.

If you are not restricted to a specific format, there are numerous ways of structuring a budget. Every good budget structure includes the five elements:

1. list of anticipated expenditures
2. list of anticipated revenues
3. budget narrative
4. summary of the total expenditures and revenues plus information on the number of individuals to be served
5. budget schedule

Section V will describe how to establish one type of model, performance budgeting.

V. Establishing A Performance Budget

A comprehensive look at performance budgeting has been provided for us by Minzey and LeTarte in their text entitled *Community Education: From Program to Process*, (1972). For those readers who do not have ready access to this text, the major portion of Chapter XIII is reprinted here. (Jack D. Minzey and Clyde LeTarte, from *Community Education: From Program to Process*, pp. 216-226, copyright © 1972 Pendell Publishing Company, Midland, Michigan. Reprinted by permission.)

Program or Performance Budgeting

The concept of program budgeting or performance budgeting has been discussed and encouraged in education for years. Recently, the basic concept has been expanded and refined and given a different title - Program Planning and Budgeting System (PPBS). This approach, while utilizing new technology and sophisticated systems, is still an out-growth of the basic performance budgeting concept that educators have long considered.

There are four basic steps in establishing a good performance budget, each of which is essential to the final outcome.

1. Establishing program objectives on a priority basis.
2. Determining program activities necessary to reach the pre-established objectives.
3. Estimating expenditures required to support the pre-established programs.
4. Establishing evaluation criteria to determine the success or failure of the program. (This should be done in terms of long and short-range indicators.)

Once these four criteria have been fulfilled, the system becomes cyclical, in that the establishment of new objectives and programming depends upon the evaluation process and the feedback built into the budgeting system.

Let us now turn to a step-by-step approach to establishing a performance budget.

Development of Program Objectives

Step 1

An important part of any Community Education program is the determination of community needs and the establishment of a program to meet those needs. Community problems, by their very nature, are often complicated, vague, and difficult to define. Programs designed to solve these problems are difficult, if not impossible, to evaluate if no clear objectives are defined in terms of desirable program outcome as it relates to problems the program is designed to solve.

It is important at this point to recognize the difference between the establishment of goals and the establishment of objectives. Goals can be, and often are, very general statements of desirable end results with little or no specificity. They often are impossible to measure. Objectives state the problem in very specific measurable terms and break the desired goals into their various cognitive, affective and psychomotor variables. Specific objectives of this type are referred to as behavioral objectives.

Example: As a community educator, you have determined that one of the major problems faced by your community is a rather high illiteracy rate. This illiteracy rate has contributed to many problems withing the community: a high unemployment rate; a large population segment that does not exercise its political rights or accept its political obligations; a group of people with very negative and somewhat hostile attitudes toward the school and society; and a segment of the population whose negative attitude toward education creates within their children equally negative feelings toward the educational process.

The general *goal,* then, is to provide expanded basic literacy skills to the adult segment of the population requiring increased reading, writing and computational skills and to improve their attitudes toward the society.

It is easy to see that this goal certainly would be difficult to measure and it certainly does not cover all of the problems posed.

The establishment of behavioral objectives assists in clarifying specific purposes and when these behavioral objectives are properly developed, they can be measured at a later specified date to determine success or failure, or the degree of success.

Within the goal of "providing basic literacy skills to the adult segment of our population requiring increased reading, writing, and computational skills and to improve their attitudes toward society," there are several variables that must be considered:

1. Is attitude change concerning education and society an objective?
2. Is it desirable or possible to change the attitudes of the children of illiterate adults through the improvement of the parent's attitudes?
3. Should the program be designed to improve participation within the political framework?
4. Will increased literacy skills increase employment opportunities or job promotion opportunities?
5. How extensive should the literacy program be and what could be considered success or failure?

Each of the preceding questions was developed from some of the rationale that established the basic goal, even though the goal did not include many variables.

Assuming that each of the first five questions is answered positively, it is then necessary to establish *behavioral objectives* within the established goal. Six questions have been stated and must be redefined in objective measurable terms. Some possible ways of approaching this are:

1. Participants enrolled in a basic literacy program will improve their attitudes toward education and become more receptive to education. This improved attitude will be assessed subjectively by the instructor at the end of one academic year and in objective terms by reviewing the participant's absence and tardiness record to determine if any improvement has occurred between the time the participant entered the program and the end of the academic year. Whether the participant plans to continue in the program another year will be another criteria used to determine success in improving participant attitudes.
2. The children of the participants enrolled in the basic literacy program should significantly improve in their own educational program within the public schools. This improvement should be evidenced in the first year by improved attendance and reduced tardiness, and within three years by a general improvement in grades.
3. The participants in the basic literacy program should gain a greater appreciation for the political process within a democratic system and a greater acceptance of responsibility within the system. This shall be determined by reviewing participant's registration and voting records preceding enrollment in the program and then reviewing these same criteria after one academic year. Increased registration and voting should be evidenced by the group. Pre- and post-examinations shall also be made regarding participants' affiliation with civic and charitable organizations. Increased involvement should be evidenced by the group at the end of one academic
4. The program will be considered a success in terms of enrollment if five percent (x number of students) of the total target population is enrolled within the first month of program operation. Upon completion of five years, the program will be considered a success if it has enrolled 20 percent (x number of students) of the total target population, and these students have averaged one year of participation in the program.
5. Participants enrolled in the basic literacy program should gain expanded employment opportunities as a result of new skills and attitudes. This will be measured through a questionnaire administered to all adults who started with the program at the end of two years. The questionnaire will specifically ask:
   A. Have you been employed in a new position during the last two years?
   B. Were you previously unemployed?
   C. Do you feel your employment was a result of this program?
   D. Have you received a job promotion within the last two years?
   E. Do you feel this promotion was the result of this program?

6. Participants enrolled in the basic literacy skills will improve their reading, writing, and computational skills by a minimum of one grade level at the completion of the first academic year and improve as a group an average of 1.5 grade levels. This improvement shall be determined by a pre- and post-test utilizing the XXXXXX Basic Skills Inventory.

It is important to note that while many of the behavorial objectives are unsophisticated, they are an attempt to evaluate the varied objectives of the general program goal and they do include some evaluation criteria for the affective program objectives; those objectives that are often avoided because of the difficulties they present in evaluation.

Step 2 - Planning a Program

Once behavioral objectives have been developed for each goal, established programs must be designed to meet the objectives specified. Program planning can no longer be the implantation of existing programs from other communities. Because program objectives have been established unique to the community, the program developed to meet these objectives must also be unique. The program planning process must be one of innovative thinking, cooperation with other educators and community leaders, and a willingness to experiment and develop new techniques. The programs that develop will probably be combinations of parts of existing programs that have been proven, unique variations of programs used for other purposes, and totally new and untried ideas. Because the programs developed will be unique and somewhat experimental, the evaluation criteria included in the behavioral objectives becomes increasingly important. The evaluation allows a determination of what has and has not worked and what should be changed to improve the program's effectiveness.

Example: In the previous example, specific behavioral objectives were established; one of these objectives stated: "The program will be considered a success in terms of enrollment if five percent (x number of students) of the total target population is enrolled within the first month of program operation. Upon completion of five years, the program will be considered a success if it has enrolled 20 percent (x number of students) of the total target population, and these students have averaged one year of participation in the program."

It is evident that to meet this behavioral objective, a recruitment phase must be initiated as part of the planned program. To meet this objective, it will be necessary to consider questions such as:

1. How can I best communicate with the illiterate segment of the community?
2. What program aspects would most appeal to this group?
3. Which community agencies could assist in edentifying the target population?

The basic point is that once you have established a behavioral objective, you must then determine the best means of meeting it. This process must be incorporated into the planning process for each behavioral objective. In the previous example, then, specific techniques and activities must be incorporated into the adult basic education program for each behavioral objective listed.

Step 3 - Estimation of Expenditures

Once the program plan has been established, it is necessary to put dollar amounts next to specific program parts. The sum total of all segments of each program and all programs designed to meet the goals and objectives of the community, plus the additional administrative and central office expenses assumed by the total Community Education program, becomes the dollar amount necessary to accomplish the stated objectives. It is at this point that revenues are compared to projected expenditures and decisions have to be made to reduce the proposed program to existing sources of revenue. This step, while painful in terms of what Community Education can and should do to improve the community, is relatively easy in terms of which program has to be cut. The importance of establishing program priorities was discussed previously.

Assuming that these priorities have been established, the process of eliminating programs to meet specified budget limitations is simply the elimination of those programs lowest on the priority list. This step is extremely difficult since it eliminates many important activities and programs. The process described does, however, fulfill the promise made at the beginning of this chapter. . . "proper budgeting procedure can be used to advantage and assist in planning the very best educational program possible within specified fund limitations. . . and can demonstrate the extent of need for additional funding. . . ."

It is recommended that three separate budgets be developed:

1. A priority budget based upon existing revenues.
2. A budget including all possible revenues, even those that have not been assured, but which are possibilities.
3. A budget based upon the activities considered important, showing all programs and activities that were deemed necessary to meet the previously established goals and objectives.

The utilization of this budgeting process and the development of three distinct budgets has several advantages:

1. The community educator is forced to place priorities on everything that is attempted or recommended. He is forced to choose which specific programs are most important out of all things possible within the general framework of Community Education.
2. The community educator is forced to think beyond funds presently available and to look for new revenue sources. Once possible additional sources are considered and placed within the context of possible programming, the director is more willing to actively campaign for these funds. Further, since he knows exactly what he wants and why, he has a better chance of getting the money being sought.
3. Administrators within the school system become aware that the Community Education director is thinking ahead; that there are many additional benefits that could accrue to the community through him should additional funds be made available. This understanding is the genesis for later support when the administrative staff is determining the fund allocation for the school system. Further, administrators observing a program operating on a priority basis without unlimited funds, are more receptive to the program, since their own programs within the system also suffer from underfunding.

Step 4 - Evaluating the Program and Priorities

This final step is one that takes place at time prescribed in the initial evaluation criteria. While it is not a part of the initial budgeting process, it is crucial to all future budgeting plans. Evaluation, based upon previously determined objectives, allows the Community Education director an opportunity to objectively evaluate what has been done and from this to re-evaluate his expenditures, his program priorities, and specific aspects of a given program to determine improvements that are necessary. This evaluation process is discussed extensively in Chapter 15 and therefore will not be dealt with in depth at this point.

Summary of Performance Budgeting

The past several pages have described a budgeting process that combines planning, programming, budgeting, and evaluating into one operation. This is quite unlike former budgeting practices that dealt only with dollars and cents and left the planning aspect to someone else. Good performance budgeting is really good curriculum planning, or a good evaluation system, or just good administration.

Once the budgeting process is completed, a format should be established to present the program ideas to others. William Roe in *School Business Management* describes a 13-step budget presentation that any budget presentation should include:

1. Title
2. Letter of Transmittal to the Board of Education
3. Table of Contents
4. Educational Philosophy and Objectives
5. A Look at the Years Ahead - Growing Pains
6. Educational Plan for Next Year
7. Financial Statement for Next Year - Summary of Expenditures and Receipts
8. Detailed Breakdown of Expenditures by Classification and Sub-classification
9. Supporting Data for Expenditures
10. Comparison with Revenue and Expenditures for Previous Years
11. Comparative Data of Interest
12. A Discussion of Revenues
13. Conclusions[1]

Establishing a System of Accounting

Once the budget has been established, a good accounting system will assure knowledge of exactly where you are at any time in relation to the established budget and will assure spending according to the plan that has been established.

To do this, an accrual system of accounting is recommended. This system assures an accurate determination of available funds at any given time because money is considered spent as soon as the actual liability for a given expenditure is incurred. For example, once some supplies are ordered, a certain amount of the supply budget is encumbered, even though money is not actually expended at that point. An accrual system shows these encumbrances and therefore allows one to avoid false estimates of available funds.

Each line item listed in the budget should be given an account number. To avoid confusion, the account number should be based upon existing account numbers used in the school district accounting system. Most school districts utilize a centralized accounting system and many directors feel it unnecessary to maintain their own records. It is recommended here that directors of Community Education maintain their own books to assure knowing exactly how much money is available at any one time and to assure a check on the total budget expenditures that they are responsible for.

An accrual system similar to the following example should be developed: (See page 226)

You will notice that the unencumbered balance is a total of $695.00, even though the items listed under encumbrances have not necessarily been paid. Under a cash accounting system a much larger balance would show. This could be misleading because a commitment has been made to pay the encumbered items, even though they have not yet been paid.

As the year progresses and funds that had been encumbered are actually expended, the amount expended is removed from the encumbrance account and listed as an actual expenditure. This does not change the amount listed in the unencumbered balance.

Establishing a good accounting system, like a good evaluation program, allows you to know where you are at any given point in time. A good evaluation program allows you to evaluate your progress toward stated objectives. A good accounting system allows you to evaluate your progress within a predetermined spending plan.

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[1] William Roe, *School Business Management*, McGraw-Hill Book Company, Inc., New York, 1961, pp. 87-88.

STUDENT ENRICHMENT

Account Number – 400

Total Appropriation – $5,000.00

Budget Line Item	Funds Appropriated	Cash Expended	Encumbrances	Unencumbered Balance
Reading for Fun 401	$ 500.00	Reading Material $100	Teacher Sal. $300 Supplies Ord. $100	$ 00.00
Teen Club 402	$ 700.00	Record Player $200 Volley Ball Set $50	Rec. Leader Sal. $300 Stud. Help. $100	$ 50.00
Science Club 403	$ 700.00	Microscope $250	Teacher Sal. $300 Science Kits Ord. $150	$ 00.00
Girl's Service Club 404	$ 500.00		Teacher Salary $300	$200.00
Boy's Intramural Football 405	$1,300.00	Uniforms $700	Rec. Leaders Sal. $250 Footballs $45	$305.00
Girl's Field Hockey 406	$ 700.00	Equipment $400	Rec. Leader Salary $250	$ 50.00
Conservation Club 407	$ 500.00	Field Trip $100	Teacher Salary $300	$100.00

Summary

The purpose of this module is to provide general information about establishing a community education budget. Because of the scope of the subject and the limitations of space, it is recommended that the student refer to the Additional Reading list.

Additional Reading

Books

1. Berridge, R.I. *Community Education Handbook*. Midland, Michigan: Pendell Publishing Company, 1973.
2. Berridge, R. I., Stark, S. L., and West, O. L. *Training the Community Educator: A Case Study Approach*. Midland Michigan: Pendell Publishing Company, 1977.
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1. Murk, P. J. *Federal, State and Local Funding for Community Education Projects*. Muncie, Indiana: Institute for Community Education Development, 1974.
2. Sharron, W. H. *How to be Successful at Grantsmanship, Guidelines for Proposal Writing, Generalization: Foundation Proposals*. Washington, D.C.: National Council for Resource Development (AACJC), 1975. (Suite 410, One Dupont Circle)

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1. Chopra, R. K. "Money - Who Needs It?" *Community Education Journal*, 1974, 4(1), pp. 30-32, 61.
2. Myers, C. "A State Official Looks at Funding and Finance Benefits" *Community Education Journal*, 1971, 1(4), p. 50.
3. Pappadakis, N. "Financing Community Education" *Community Education Journal*, 1971, 1(2), pp. 37-41, 59.
4. Pappadakis, N., and Totten, W. F. "Financing the New Dimensions of Community Education" *Phi Delta Kappan*, 1972, LIV, pp. 192-94.

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2. Cwik, P. J., King, M. J., and Van Voorhees, C. *Community Education and Interagency Cooperation*. Ann Arbor, Michigan: The Office of Community Education Research in Cooperation with N.C.E.A., 1976.
3. Dean, D. H. *Community Schools in Rural Areas*. Arlington, Virginia: ERIC Document Reproduction Service, 1974.
4. National Education Finance Project, *Future Directions for School Financing*. Gaineville, Florida: National Educational Finance Project, 1971. (1212 Southwest Fifth Ave.)
5. Santa Barbara County Schools, Tri-County Center for Community Education, *Financing A Community School Program*. Santa Barbara, California: Center for Community Education (P.O. Box 6307)
6. University of Michigan, Office of Community Education Research, Catalog of *Federal Programs Related to Community Education*. Rockville, Maryland: Federal Community Education Clearinghouse, 1977.

Pamphlets

1. Fish, T. L., and Klassen, J. A. *Financing Community Education*. Midland Michigan: Pendell Publishing Company, 1976.
2. Shoop, R. J. *Developing Interagency Cooperation*. Midland, Michigan: Pendell Publishing Company, 1976.
3. Winecoff, L. and Powell, C. *Organizing a Volunteer Program*. Midland, Michigan: Pendell Publishing Company, 1976.

Resource Materials

San Diego Center for Community Education, "Budgeting" (6401 Linda Vista Road) San Diego, California.

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